

PART I INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

- 1 (a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Comprehensive Income

	Group		
	12 months ended 31 December		Increase / (Decrease)
	2012	2011 *(restated)	
	S\$'000	S\$'000	%
Sales	140,309	292,273	(52.0)
Cost of sales	(73,117)	(146,124)	(50.0)
Gross profit	67,192	146,149	(54.0)
Other income	7,537	6,467	16.5
Other gains - net	121,539	3,508	nm
Expenses			
- Distribution and marketing	(12,187)	(11,340)	7.5
- Administrative	(13,261)	(4,680)	183.4
- Finance	(3,659)	(9,245)	(60.4)
- Other	(4,835)	(4,154)	16.4
Share of profit of associated companies	32,618	21,099	54.6
Profit before income tax	194,944	147,804	31.9
Income tax expense	(4,189)	(23,013)	(81.8)
Net profit attributable to equity holders of the Company	190,755	124,791	52.9

* Please refer to item 5 for the effects from the adoption of Amendments to *FRS 12 Deferred Tax: Recovery of Underlying Assets* on share of profit of associated companies and income tax expense in 2011 which increased by \$697,000 and \$95,000 respectively. As a result, net profit in 2011 increased by \$602,000.

nm : not meaningful

1 (a)(i) **Consolidated Statement of Comprehensive Income (continued)**

	Group		
	12 months ended 31 December		Increase / (Decrease)
	2012	2011 *(restated)	
S\$'000	S\$'000	%	
Net profit attributable to equity holders of the Company	190,755	124,791	52.9
Other comprehensive (loss)/income:			
Revaluation surplus on property, plant and equipment	3,212	6,858	(53.2)
Adjustment for movement in deferred tax liability on revaluation surplus	153	(494)	nm
Reversal of deferred tax liability on revaluation surplus on realisation	21,893	-	nm
Currency translation differences arising from consolidation	(230)	(126)	82.5
Reclassification to profit or loss on partial disposal of an associated company	(53,642)	-	nm
Share of associated company's reserves	28,218	(4,192)	nm
Other comprehensive (loss)/income, net of tax	(396)	2,046	nm
Total comprehensive income attributable to equity holders of the Company	190,359	126,837	50.1

* Please refer to item 5 for the effects from the adoption of Amendments to *FRS 12 Deferred Tax: Recovery of Underlying Assets* on share of profit of associated companies and income tax expense in 2011 which increased by \$697,000 and \$95,000 respectively. As a result, net profit in 2011 increased by \$602,000.

nm : not meaningful

1 (a)(ii) Other profit and loss items disclosure

	Group		
	12 months ended 31 December		Increase / (Decrease)
	2012	2011	
	S\$'000	S\$'000	%
The following items were credited/ (charged) to the income statement:			
<u>Other income</u>			
Interest income - fixed deposits	1,119	37	nm
<u>Cost of sales, administrative and other expenses</u>			
1. Depreciation of property, plant and equipment	(5,854)	(7,288)	(19.7)
2. Amortisation of intangible assets	(976)	-	nm
3. Bad debts written off	(21)	(1)	nm
4. Doubtful debts write-back/(allowance)	18	(31)	nm
<u>Other gains/(losses) - net</u>			
1. Fair value gains on investment properties	5,541	3,511	57.8
2. Gain arising on dilution of interest in an associated company	2	-	nm
3. Loss on disposal of property, plant and equipment	(357)	(7)	nm
4. REIT Transaction			
- Gain on disposal of property, plant and equipment	1,289	-	nm
- Gain on disposal of investment properties	1,683	-	nm
- Committed capital expenditure on disposed assets	(4,210)	-	nm
	(1,238)	-	nm
5. Asset Swap Transaction			
- Gain on partial disposal of an associated company	102,240	-	nm
- Reclassification from other comprehensive income on partial disposal of an associated company	53,642	-	nm
- Goodwill written-off in respect of business acquisition	(30,141)	-	nm
- Stamp duties	(9,150)	-	nm
	116,591	-	nm
<u>Finance expenses</u>			
1. Interest expense	(3,691)	(9,272)	(60.2)
2. Currency translation gains - net	32	27	18.5
<u>Income tax expenses</u>			
Adjustment for over provision of tax in respect of prior years	2,951	133	nm

nm : not meaningful

- 1 (b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Statements of Financial Position

	Group			Company		
	31.12.2012	31.12.2011 *(restated)	31.12.2010 *(restated)	31.12.2012	31.12.2011 *(restated)	31.12.2010 *(restated)
	S\$'000			S\$'000		
ASSETS						
Current assets						
Cash and cash equivalents	488,164	76,446	37,293	435,212	4,333	5,934
Trade receivables	81,516	188,303	56,436	3,398	2,064	2,338
Inventories	60	73	82	40	54	57
Development properties	167,653	169,974	154,647	-	-	-
Properties held for sale	149,470	-	-	-	-	-
Other current assets	6,728	342	4,003	5,946	195	199
	893,591	435,138	252,461	444,596	6,646	8,528
Non-current assets						
Investments in associated companies	5,268	356,225	339,317	696	-	-
Investments in subsidiaries	-	-	-	483,531	483,531	483,536
Advances to subsidiaries	-	-	-	129,489	196,561	172,812
Other non-current assets	111	111	111	111	111	111
Investment properties	264,401	166,915	173,243	111,288	112,845	113,959
Property, plant and equipment	392,539	696,944	681,431	369,025	435,295	432,681
Intangible assets	129,385	-	-	-	-	-
	791,704	1,220,195	1,194,102	1,094,140	1,228,343	1,203,099
Total assets	1,685,295	1,655,333	1,446,563	1,538,736	1,234,989	1,211,627
LIABILITIES						
Current liabilities						
Trade payables	58,382	39,102	17,941	3,522	2,043	1,970
Other current payables	63,575	11,618	11,590	56,777	6,718	7,508
Deferred income	6,797	-	-	6,797	-	-
Current income tax liabilities	24,004	7,655	8,824	1,553	5,081	5,702
Advances from subsidiaries	-	-	-	45,857	-	-
Borrowings	-	196,058	131,570	-	130,230	1,200
	152,758	254,433	169,925	114,506	144,072	16,380
Non-current liabilities						
Other non-current liabilities	3,884	4,366	4,016	15	739	723
Deferred income	330,685	-	-	330,685	-	-
Deferred income tax liabilities	27,833	51,793	34,437	726	4,332	4,489
Advances from subsidiaries	-	-	-	60,588	136,892	122,464
Borrowings	70,085	259,602	274,057	-	120,000	247,132
	432,487	315,761	312,510	392,014	261,963	374,808
Total liabilities	585,245	570,194	482,435	506,520	406,035	391,188
NET ASSETS	1,100,050	1,085,139	964,128	1,032,216	828,954	820,439
EQUITY						
Capital and reserves attributable to equity holders of the Company						
Share capital	394,612	372,063	356,713	394,612	372,063	356,713
Revaluation and other reserves	334,185	526,024	525,968	336,423	404,415	400,541
Retained profits	371,253	187,052	81,447	301,181	52,476	63,185
TOTAL EQUITY	1,100,050	1,085,139	964,128	1,032,216	828,954	820,439

* Please refer to item 5 for the effects from the adoption of Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets* on retained profits, deferred income tax liabilities and the Group's share of adjustment by its associated company, YHS.

1 (b)(ii) Aggregate amount of the group's borrowings and debt securities

	As at 31.12.2012		As at 31.12.2011	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand (Note 1)	-	-	196,058	-
Amount repayable after one year (Note 1)	70,085	-	259,602	-

Note 1: net of transaction costs

The Group has outstanding banker's guarantees of \$5.5 million as at 31 December 2012 (31 December 2011: \$41.5 million). \$36.0 million as at 31 December 2011 was used to support the withdrawal of surplus from a Project Account under Rule 10 of the Housing Developers (Project Account) Rules.

Details of any collateral

As at 31 December 2012, bank borrowings are secured over the Group's development properties and one piece of freehold land and building in Kuala Lumpur, Malaysia.

As at 31 December 2011, all bank borrowings are secured over the Group's development properties, investment properties, freehold and leasehold land and buildings; certain quoted shares held by the Group in an associated company held by a subsidiary; fixed and floating charge over all the assets of the Company and certain subsidiaries; assignment of all rights to and benefits from the sale and purchase agreements, rental proceeds, lease tenancies, building contracts, licences and insurance policies in respect of development properties, investment properties and freehold and leasehold land and buildings within the Group; and corporate guarantees by the Company.

- 1 (c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flows

	Group	
	12 months ended 31 December	
	2012	2011 *(restated)
	S\$'000	S\$'000
Cash flows from operating activities		
Net profit	190,755	124,791
Adjustments for:		
Income tax expense	4,189	23,013
Depreciation of property, plant and equipment	5,854	7,288
Amortisation of intangible assets	976	-
Interest income	(1,119)	(37)
Interest expense	3,691	9,272
Loss on disposal of property, plant and equipment	3,278	7
Gain on disposal of investment properties	(1,683)	-
Fair value gains on investment properties	(5,541)	(3,511)
Gain arising on dilution of interest in an associated company	(2)	-
Gain on partial disposal of an associated company	(102,240)	-
Reclassification from other comprehensive income on disposal of an associated company	(53,642)	-
Goodwill written-off in respect of business acquisition	30,141	-
Share of profit of associated companies	(32,618)	(21,099)
	42,039	139,724
Change in working capital:		
Trade receivables	106,787	(131,867)
Development properties	7,388	(13,413)
Inventories	13	9
Other current assets	(5,878)	3,661
Trade payables	19,280	21,161
Other payables	1,816	470
Deferred income	(2,357)	-
Cash generated from operations	169,088	19,745
Income tax paid - net	(4,894)	(7,321)
Net cash provided by operating activities	164,194	12,424
Cash flows from investing activities		
Payment for Asset Swap Transaction	(58,653)	-
Additions to property, plant and equipment	(11,684)	(6,089)
Additions to investment properties	(138)	(99)
Proceeds from grant of leasehold interest in freehold land	339,839	-
Proceeds from disposal of property, plant and equipment	314,598	2
Proceeds from disposal of investment properties	62,318	-
Dividend paid to shareholders	(10,141)	(5,826)
Investments in associated companies	(696)	-
Dividend received from an associated company	2,842	-
Interest received	611	37
Net cash provided by/(used in) investing activities	638,896	(11,975)

* Please refer to item 5 for the effects from the adoption of Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets* on share of profit of associated companies and income tax expense in 2011 which increased by \$697,000 and \$95,000 respectively. As a result, net profit in 2011 increased by \$602,000.

Consolidated Statement of Cash Flows (continued)

	Group	
	12 months ended 31 December	
	2012	2011 *(restated)
	S\$'000	S\$'000
Cash flows from financing activities		
Proceeds from borrowings	243,856	80,753
Repayment of borrowings	(630,149)	(33,364)
Interest paid	(5,079)	(8,685)
Net cash (used in)/provided by financing activities	(391,372)	38,704
Net increase in cash and cash equivalents	411,718	39,153
Cash and cash equivalents at beginning of financial year	76,446	37,293
Cash and cash equivalents at end of financial year	488,164	76,446

Cash and cash equivalents of the Group include amounts totalling \$27,056,000 (2011: \$67,544,000), representing the Group's attributable share of joint ventures' bank balances and fixed deposits, held under the Housing Developers (Project Account) (Amendment) Rules 1997 and the Housing Developers (Project Account) Rules 1990, withdrawals of which are restricted to payments for project expenditure incurred, until the completion of the projects.

- 1 (d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Changes in Equity

	Share capital	Asset revaluation reserve	Currency translation reserve	Fair value reserve	Share-based payment reserve	Retained profits	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 Jan 2012							
As previously reported	372,063	502,608	(7,394)	30,557	253	181,552	1,079,639
Adoption of amended FRS 12 adjustment *	-	-	-	-	-	5,500	5,500
As restated	372,063	502,608	(7,394)	30,557	253	187,052	1,085,139
Transfer of revaluation surplus to retained profits	-	(191,443)	-	-	-	191,443	-
Dividends paid to shareholders in cash	-	-	-	-	-	(10,141)	(10,141)
Shares issued in-lieu of dividends	22,549	-	-	-	-	(22,549)	-
Dividend in Specie	-	-	-	-	-	(120,050)	(120,050)
Special Dividend payable	-	-	-	-	-	(45,257)	(45,257)
Total comprehensive income for the year	-	25,258	5,156	(30,557)	(253)	190,755	190,359
Balance at 31 Dec 2012	394,612	336,423	(2,238)	-	-	371,253	1,100,050

* Please refer to item 5 for the effects from the adoption of Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets*.

Consolidated Statement of Changes in Equity (continued)

	Share capital	Asset revaluation reserve	Currency translation reserve	Fair value reserve	Share-based payment reserve	Retained profits	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 Jan 2011							
As previously reported	356,713	498,234	(5,274)	33,008	-	76,549	959,230
Adoption of amended FRS 12 adjustment *	-	-	-	-	-	4,898	4,898
As restated	356,713	498,234	(5,274)	33,008	-	81,447	964,128
Share issued in-lieu of dividends	15,350	-	-	-	-	(15,350)	-
Dividends paid to shareholders in cash	-	-	-	-	-	(5,826)	(5,826)
Share of associated company's transfer from revaluation reserve	-	(1,990)	-	-	-	1,990	-
Total comprehensive income for the year	-	6,364	(2,120)	(2,451)	253	124,791	126,837
Balance at 31 Dec 2011	372,063	502,608	(7,394)	30,557	253	187,052	1,085,139

Company's Statement of Changes in Equity

	Share capital	Asset revaluation reserve	Retained profits	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 Jan 2012				
As previously reported	372,063	404,415	51,741	828,219
Adoption of amended FRS 12 adjustment *	-	-	735	735
As restated	372,063	404,415	52,476	828,954
Transfer of revaluation surplus to retained profits	-	(71,647)	71,647	-
Shares issued in-lieu of dividends	22,549	-	(22,549)	-
Dividends paid to shareholders in cash	-	-	(10,141)	(10,141)
Dividend in Specie	-	-	(326,508)	(326,508)
Special Dividend payable	-	-	(45,257)	(45,257)
Total comprehensive income for the year	-	3,655	581,513	585,168
Balance at 31 Dec 2012	394,612	336,423	301,181	1,032,216

	Share capital	Asset revaluation reserve	Retained profits	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 Jan 2011				
As previously reported	356,713	400,541	62,365	819,619
Adoption of amended FRS 12 adjustment *	-	-	820	820
As restated	356,713	400,541	63,185	820,439
Shares issued in-lieu of dividends	15,350	-	(15,350)	-
Dividends paid to shareholders in cash	-	-	(5,826)	(5,826)
Total comprehensive income for the year	-	3,874	10,467	14,341
Balance at 31 Dec 2011	372,063	404,415	52,476	828,954

* Please refer to item 5 for the effects from the adoption of Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets*.

- 1 (d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Ordinary shares fully paid

Number of shares at beginning of financial year

Shares issued in-lieu of dividends

Number of shares at end of financial year

As at 31.12.2012	As at 31.12.2011
'000	'000
363,309	353,007
13,834	10,302
377,143	363,309

The Company does not have any convertibles.

The Company does not have any treasury shares.

- 1 (d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

Number of issued shares excluding treasury shares

The Company does not have any treasury shares.

As at 31.12.2012	As at 31.12.2011
'000	'000
377,143	363,309

- 1 (d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable as the Company does not have any treasury shares.

- 2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited nor reviewed by the Company's auditors.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable. Refer to item 2 above.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2011. The adoption of revised Financial Reporting Standards ("FRS") that are relevant and effective for annual periods beginning on or after 1 January 2012 did not result in any significant change except as disclosed in item 5 below.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted the Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets* on 1 January 2012. The Group previously provided for deferred tax liabilities for its investment properties that will be recovered through use. The amended FRS 12 has introduced a presumption that an investment property measured at fair value is recovered entirely by sale. Accordingly, there will be no deferred tax liability on investment properties as there is no tax on capital gains in Singapore should such a sale occur. The amendment is applicable retrospectively to annual periods beginning on or after 1 January 2012.

The effects from the adoption are as noted in the relevant items in other pages as well as follows:

Statements of Financial Position

	Group		Company	
	Increase/(Decrease)		Increase/(Decrease)	
	As at 31.12.2011	As at 31.12.2010	As at 31.12.2011	As at 31.12.2010
	\$'000	\$'000	\$'000	\$'000
Deferred income tax liabilities	(3,022)	(3,118)	(735)	(820)
Investments in associated companies	2,478	1,780	-	-
Retained profits	5,500	4,898	735	820

Consolidated Statement of Comprehensive Income

	Group
	Increase/(Decrease)
	12 months ended 31 December 2011
	\$'000
Share of profit of associated companies	697
Income tax expense	95
Net profit attributable to equity holders of the Company	602

6 Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Earnings per ordinary share (EPS) for the period based on net profits attributable to shareholders after deducting any provision for preference dividends: -

- (i) Based on weighted average number of ordinary shares in issue
- (ii) On a fully diluted basis

Group	
12 months ended 31 December	
2012	2011 *(restated)
cents	cents
51.47	34.83
51.47	34.83

* Please refer to item 5 for the effects from the adoption of Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets*. Basic and fully diluted EPS for YTD 31 December 2011 increased by 0.17 cents.

7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

Net asset value (NAV) per ordinary share based on total number of issued shares excluding treasury shares as at the end of the year

Group		Company	
As at 31.12.2012	As at 31.12.2011 *(restated)	As at 31.12.2012	As at 31.12.2011 *(restated)
\$ 2.92	\$ 2.99	\$ 2.74	\$ 2.28

The Company does not have any treasury shares.

* Please refer to item 5, effects from the adoption of on Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets*. The Group's NAV per share as at 31 December 2011 increased by 0.02 cents while there was no change on the Company's NAV per share.

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

(a) Group Performance Review

Significant Changes

The Company held an Extraordinary General Meeting (“EGM”) on 11 July 2012, where the shareholders of the Company approved the proposed restructuring of the Company involving a REIT Transaction and an Asset Swap Transaction. The details of the transactions were given in a circular to shareholders dated 19 June 2012 (“Circular”). The approvals were conditional on the initial public offering of Far East Hospitality Trust (“Far East H-Trust”) and the listing and quotation of the Stapled Securities (as defined in the Circular) and commencement of trading of such Stapled Securities on the SGX-ST taking place. The listing of Far East H-Trust was successfully launched on 27 August 2012. Accordingly, the REIT Transaction and Asset Swap Transaction were completed on 27 August 2012. The financial results as announced herein include the financial impacts from these transactions.

With the completion of the Asset Swap Transaction on 27 August 2012, the newly acquired medical units in Novena Medical Center (“NMC”) and Novena Specialist Center (“NSC”) had contributed \$5.0 million, and the hospitality management business contributed \$5.3 million to the Group’s revenue.

Revenue

Total revenue for the Group for FY 2012 is \$140.3 million and was down by 52.0% as compared to \$292.3 million in 2011. The decrease was primarily due to lower revenue recognised from the Group’s property development project, the Floridian, of which 94% of the project was sold and revenue recognised prior to 1 January 2012.

Revenue for the hospitality division increased by \$4.0 million as compared against 2011 primarily contributed by the newly acquired hospitality management business. Revenue from property investment decreased by \$1.0 million mainly due to the investment properties within the 3 hospitality assets, namely Orchard Parade Hotel (“OPH”), Albert Court Village Hotel (“ACVH”) and Central Square Village Residences (“CSV”) being divested as part of the REIT Transaction, offset by the contribution from the newly acquired medical centers. Also as part of the REIT Transaction, the Company had granted a 50-year leasehold interest in the freehold land of OPH to Far East Hospitality Real Estate Investment Trust (“Far East H-REIT”). The proceeds related to the lease of this freehold land are deferred and will be recognised as revenue over 50 years.

Gross Profit and Other Income, Gains or Losses

Gross profit for the full year of 2012 at \$67.2 million was lower by \$78.9 million or 54.0% from the \$146.1 million achieved in 2011. The decrease came mainly from lower sales in property development where gross profit fell by \$69.8 million.

The divestment of the hospitality assets and related investment properties from the REIT Transaction resulted in a gain on disposal of \$3.0 million. This was however offset by a committed capital expenditure of \$4.2 million on assets improvement works that was approved prior to the divestment of these assets.

(a) Group Performance Review (continued)**Gross Profit and Other Income, Gains or Losses (continued)**

The Group recognised a gain on disposal of \$102.2 million upon the divestment of its shares in Yeo Hiap Seng Limited (“YHS”), (the “Disposal Shares” as defined in the Circular) from the Asset Swap Transaction (also as defined in the Circular). As a result of the higher market price of YHS shares on 27 August 2012, the “Completion Date”, which was used to compute the consideration value for the acquisition of the businesses in the Asset Swap Transaction, there was an additional goodwill of \$30.1 million. This goodwill was accordingly impaired and written off on acquisition of the assets. The divestment also resulted in the recognition of unrealized gains in the associated company previously equity accounted for by the Group. The unrealised gain of \$53.6 million mainly in the fair value reserve was transferred from the Consolidated Statement of Changes in Equity and realised as other gains in the Statement of Comprehensive Income. After accounting for stamp duties of \$9.2 million paid for the acquired assets, the net result from the Asset Swap Transaction was a gain of \$116.6 million.

Expenses

Total expenses for the full year of 2012 of \$33.9 million had increased by \$4.5 million or 15.3% over \$29.4 million in 2011. While there were savings in financing expenses which came from repayment of borrowings, the increase in administrative expenses came mainly from increases in professional fees and charges relating to the restructuring. 2011's administrative expenses were also lower due to a one-time refund from a service provider.

Associated companies

The Group's share of profits from associated companies was higher as its main associated company, YHS, had reported higher profits in 2012. With the divestment of its 35.0% shareholdings in YHS, the Group's share of profits for the year was accounted for on a pro-rated basis, up to 26 August 2012.

Income tax

Income tax was lower due to lower taxable profits mainly as a result of lower profits from property development as mentioned above.

Group Results

As a result of the above, the Group reported an increase in its net profit to \$190.8 million in 2012 as compared to \$124.8 million in 2011.

(b) Statements of Financial Position**Group - Significant Variances**

The Group's cash and cash equivalents as at 31 December 2012 of \$488.2 million was an increase of \$411.8 million compared to \$76.4 million as at 31 December 2011. The increase came mainly from net proceeds from the divestment of the 3 hospitality assets and related investment properties as well as collections from sale of units in development projects.

The reduction in trade receivables was mainly a result of collections received from sale of units in development projects.

The properties held for sale as at 31 December 2012 were medical units in Novena Medical Center (“NMC”) and Novena Specialist Center (“NSC”) acquired as part of the Asset Swap Transaction.

(b) Statements of Financial Position (continued)**Group - Significant Variances (continued)**

Other current assets increased by \$6.4 million to \$6.7 million as at 31 December 2012. The increase was mainly due to the security deposit furnished by Far East Orchard Limited as Master Lessee to the REIT Trustee (as defined in the Circular).

The decrease in investments in associated companies came primarily from the de-recognition of the Group's entire interest in YHS following the divestment of the Disposal Shares by the Group in the Asset Swap Transaction and the Dividend-in-Specie paid on 3 December 2012.

Investment properties increased by \$97.5 million to \$264.4 million as at 31 December 2012, mainly from the acquisition of the medical units in NMC and NSC as part of the Asset Swap Transaction that are held for lease.

The decrease in property, plant and equipment was due to the granting of the leasehold interests in the 3 hospitality assets to Far East H-REIT.

The intangible assets of \$129.4 million comprise mainly the fair value of the hospitality management contracts acquired and the goodwill on acquisition as part of the Asset Swap Transaction.

Trade payables increased by \$19.3 million to \$58.4 million as at 31 December 2012, from \$39.1 million as at 31 December 2011. The increase was mainly attributed to accruals made for the remaining construction cost for the Floridian project which obtained its Temporary Occupation Permit ("TOP") on 5 March 2012.

Other current payables increased by \$52.0 million from \$11.6 million as at 31 December 2011 to \$63.6 million. The increase came mainly from accrual of the Special Dividend due on 8 January 2013 and capital expenditure commitments.

Current income tax liabilities at \$24.0 million were higher by \$16.3 million from \$7.7 million at 31 December 2011. This was mainly due to the transfer from deferred income tax liabilities relating to the Floridian project upon TOP.

Deferred income tax liabilities decreased by \$24.0 million mainly due to the transfer from deferred income tax liabilities to current income tax liabilities as mentioned above and reversal of deferred tax liability on revaluation surplus upon disposal of property, plant and equipment, offsetted by the deferred tax liabilities arising from the acquisition of hospitality management contracts.

Total borrowings decreased by \$385.6 million to \$70.1 million, from \$455.7 million as at 31 December 2011 mainly due to repayments made from the net proceeds received from the divestment of the 3 hospitality assets and related investment properties.

The deferred income of \$337.5 million as at 31 December 2012 relates to the granting of the 50-year leasehold interest in the freehold land of OPH to Far East H-REIT. The income is being recognised over the remaining lease period from 27 August 2012.

(b) Statements of Financial Position (continued)**Company (continued)**

The Company's increased cash and cash equivalents as at 31 December 2012 at \$435.2 million was primarily due to the granting of the leasehold land interest and the divestment of the OPH building as part of the REIT Transaction as well as from the repayment of loans and advances from subsidiaries.

The changes in other current assets, property plant and equipment, borrowings and deferred income arose from causes that were primarily similar to those as described for the Group.

During the financial year, the Company has acquired 33% interest in FEO Hospitality Asset Management Pte. Ltd. and FEO Hospitality Trust Management Pte. Ltd. (REIT Manager and Trustee-Manager respectively, as defined in the Circular).

(c) Statement of Cash Flows

Operating activities for the financial year 2012 generated a net cash flow of \$164.2 million. Investing activities, mainly from the REIT Transaction, brought in a net inflow of \$638.9 million while there was a net outflow of \$391.4 million in financing activities, primarily from repayment of borrowings.

As a net result, the Group had a net increase in cash and cash equivalents of \$411.7 million as compared to a net increase of \$39.2 million for the previous financial year 2011.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The results are in line with the comments previously disclosed to shareholders.

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The restructuring involving the REIT Transaction and Asset Swap Transaction as approved by the shareholders at the EGM on 11 July 2012 were completed upon the successful listing of Far East H-Trust on 27 August 2012.

Payment of Special Dividend and Dividend in Specie, also approved at the EGM, were declared as disclosed in paragraph 11.

Contribution from the Group's property development business will ease as it had recognised the final profit from the Floridian project. The Group, through its joint venture, will continue to sell units in euHabitat in which the Group has a 20% effective interest. Almost 94% of the total units in this project have been sold. Other joint-venture projects are in the early stages of development. The Group will continue to participate in the tenders for land, as offered by the authorities, for development.

The Group's contribution from hospitality will come mainly from the hospitality management business while those from investment properties will be derived primarily from the medical units.

The Group is still evaluating the potential transactions with The Straits Trading Company Limited and Toga Pty Limited that were announced on 26 November 2012 and 12 December 2012 respectively, and will provide further details in subsequent announcements in accordance with its policy on continuing disclosure at the appropriate times.

11 Dividend**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

The Board of Directors is pleased to recommend the following dividend in respect of the financial year ended 31 December 2012 for approval by shareholders at the next Annual General Meeting to be convened :

Name Of Dividend	First and Final (One-tier tax exempt)
Dividend Type	Cash or share-in lieu
Dividend Amount Per Share	6.00 cents - First and final dividend

The following dividends were declared and paid in respect of financial year ended 31 December 2012 as approved by shareholders at the Extraordinary General Meeting of the Company held on 11 July 2012 upon the terms set out in the Company's circular to shareholders dated 19 June 2012.

Name Of Dividend	Dividend in Specie
Dividend Type	YHS shares
Dividend Amount Per Share	0.22086 YHS share for every one (1) share held by entitled shareholders

The dividend was paid on 3 December 2012.

Name Of dividend	Special Dividend (One-tier tax exempt)
Dividend Type	Cash or share-in lieu
Dividend Amount Per Share	12.00 cents

The dividend was paid on 8 January 2013.

(b) Corresponding Period of the Immediately Preceding Financial Year

The following dividend was declared and paid in respect of financial year ended 31 December 2011 as approved by shareholders at the Annual General Meeting held at 27 April 2012.

Name Of Dividend	Final and Special (One-tier tax exempt)
Dividend Type	Cash or share-in lieu
Dividend Amount Per Share	3.00 cents - First and final dividend 6.00 cents - Special dividend 9.00 cents - Total

The dividend was paid on 22 June 2012.

(c) Date payable

The date payable for the recommended dividend will be announced at a later date.

(d) Books closure date

Notice of books closure for determining shareholders' entitlement of the recommended dividend will be announced at a later date.

12 If no dividend has been declared/recommended, a statement to that effect

Not applicable.

- 13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company does not have interested person transactions that require shareholders' mandate under Rule 920(1)(a)(ii).

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

- 14 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited financial statements, with comparative information for the immediately preceding year.

	<u>Hospitality</u> S\$'000	<u>Property Development</u> S\$'000	<u>Property Investment</u> S\$'000	<u>Investment</u> S\$'000	<u>The Group</u> S\$'000
<i>Financial year ended 31 December 2012</i>					
Revenue	55,044	74,866	10,399	-	140,309
Operating profit	18,521	29,303	6,955	1,075	55,854
Corporate expenses					(10,765)
Finance expense					(3,659)
Fair value gains on investment properties	-	-	5,541	-	5,541
Gain arising on dilution of interest in an associated company					2
Effects of REIT Transaction and Asset Swap Transaction					115,353
Share of profit of associated companies	-	(17)	-	788	771
Share of profit of partial disposed associated company ⁽¹⁾					31,847
Profit before income tax					194,944
Income tax expense					(4,189)
Net profit					190,755

⁽¹⁾ This relates to investment held in an associated company, Yeo Hiap Seng Limited.

	<u>Hospitality</u> S\$'000	<u>Property Development</u> S\$'000	<u>Property Investment</u> S\$'000	<u>Investment</u> S\$'000	<u>The Group</u> *(restated) S\$'000
<i>Financial year ended 31 December 2011</i>					
Revenue	51,066	229,834	11,373	-	292,273
Operating profit	28,572	96,768	8,308	(15)	133,633
Corporate expenses					(1,194)
Finance expense					(9,245)
Fair value gains on investment properties	-	-	3,511	-	3,511
Share of profit of associated companies ⁽¹⁾					21,099
Profit before income tax					147,804
Income tax expense					(23,013)
Net profit					124,791

⁽¹⁾ This relates mainly to investment held in an associated company, Yeo Hiap Seng Limited.

* Please refer to item 5 for the effects from the adoption of Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets* on share of profit of associated companies and income tax expense in 2011 which increased by \$697,000 and \$95,000 respectively. As a result, net profit in 2011 increased by \$602,000.

15 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

The restructuring involving the REIT Transaction and Asset Swap Transaction as approved by the shareholders at the EGM on 11 July 2012 were completed upon the successful listing of Far East H-Trust on 27 August 2012.

Payment of Special Dividend and Dividend in Specie, also approved at the EGM, as disclosed in paragraph 11 were completed.

Contribution from the Group's property development business will ease as it had recognised the final profit from the Floridian project. The Group, through its joint venture, will continue to sell units in euHabitat in which the Group has a 20% effective interest. Almost 94% of the total units in this project have been sold. Other joint-venture projects are in the early stages of development.

With the restructuring completed, the Group will have new recurring income streams from the newly acquired hospitality management business as well as from the investment properties derived from the medical units.

16 A breakdown of sales

	Group		
	S\$'000		%
	2012	2011 *(restated)	Change
Sales reported for 1st half year	96,026	145,280	(33.9)
Net profit after tax reported for the 1st half year	62,240	65,128	(4.4)
Sales reported for 2nd half year	44,283	146,993	(69.9)
Net profit after tax reported for the 2nd half year	128,515	59,663	115.4

* Please refer to item 5 for the effects from the adoption of Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets* on share of profit of associated companies and income tax expense in 2011 which increased by \$697,000 and \$95,000 respectively. As a result, net profit in 2011 increased by \$602,000.

17 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Total Annual Dividend

	Latest Full Year 2012	Previous Full Year 2011
	(\$'000)	(\$'000)
First and final dividend	22,948	10,896
Special dividend	45,257	21,794
Dividend in Specie	120,050	-
Total	188,255	32,690

18 Interested person transactions

Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual)

Name of interested person	2012 S\$'000	2011 S\$'000
Far East Property Sales Pte Ltd		
Rental income	-	234
Sales & marketing service fees	(167)	(948)
Far East Organization Centre Pte Ltd		
Rental income	396	652
Hospitality management income	1,040	-
Purchase of goods and services	(273)	-
Far East Hospitality Services Pte Ltd		
Rental income	545	604
Management service fees	(1,952)	(2,255)
Far East Management (Private) Limited		
Rental income	488	360
Computer maintenance support fees	(260)	(260)
Management service fees	(2,203)	(1,017)
Property development, project management and sales & marketing service fees	(808)	(1,358)
Lyon Cleaning & Maintenance Services Pte Ltd		
Management service fees	(415)	-
Transurban Properties Pte Ltd		
Hospitality management income	697	-
Purchase of goods and services	(223)	-
Golden Development Private Limited		
Hospitality management income	1,237	-
Purchase of goods and services	(157)	-
Golden Landmark Pte Ltd		
Hospitality management income	563	-
Purchase of goods and services	(174)	-
Oxley Hill Properties Pte Ltd		
Hospitality management income	208	-

Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual)

Name of interested person	2012 S\$'000	2011 S\$'000
Riverland Pte Ltd		
Hospitality management income	193	-
Serene Land Pte Ltd		
Hospitality management income	187	-
Orchard Landmark Pte Ltd		
Hospitality management income	129	-
Orchard Parksuites Pte Ltd		
Hospitality management income	648	-
Dollar Land Singapore Private Limited		
Hospitality management income	149	-
Far East Hospitality Real Estate Investment Trust		
Property management income	147	-
Purchase of goods and services	(274)	-
Master lessee rental	(10,571)	-

Pursuant to Rule 906 of the Listing Manual, the Company had obtained shareholders' approval to enter into transactions as set out in the circular to shareholders dated 19 June 2012. The transactions listed in the Circular are excluded from the disclosures as shown above.

19 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (13) for the financial year ended 31 December 2012.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Ng Siok Keow	66	Daughter of Substantial Shareholders, Mr Ng Teng Fong (deceased) and Mdm Tan Kim Choo. Sister of Chairman/Director, Mr Ng Chee Tat Philip.	Director with effect from 6 August 1987. Director's responsibilities under the Companies Act, Cap. 50.	Nil.
Ng Chee Tat Philip	54	Son of Substantial Shareholders, Mr Ng Teng Fong (deceased) and Mdm Tan Kim Choo. Brother of Director, Mdm Ng Siok Keow.	Chairman/Director with effect from 25 June 1993. Director's responsibilities under the Companies Act, Cap. 50.	Nil.

Note: Mr Ng Chee Tat Philip resigned as Chairman/Director on 1 January 2013.

By Order of the Board

Chloe Kho Kim Suan / Madelyn Kwang Yeit Lam

Secretaries

26 February 2013